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Proposed programme budget for the biennium 2004-2005

Contingency fund: consolidated statement of programme budget implications and revised estimates

Report of the Secretary-General*

1. The consolidated statement of programme budget implications and revised estimates, presented to the Fifth Committee, and falling under the guidelines for the contingency fund contained in the annex to General Assembly resolution 42/211 of 21 December 1987, is herewith submitted. These items amount to $23,020,100 as detailed in the annex to the present report. The total amounts indicated exceed by $1,420,100 the approved level of the contingency fund of $21,600,000.[1] At this point, the Fifth Committee is yet to take formal action with regard to the approval of the specific programme budget implications and revised estimates before it. Accordingly, the statement takes as its starting point the total value of the relevant items currently before the Committee for decision. Consistent with the intent of the procedures contained in part C, paragraph 6, of the annex to resolution 42/211, which governs the contingency fund, suggestions are made for adjustments which the Fifth Committee may wish to consider, so that it may be in a position to recommend an overall level of charges that would be within the level of the contingency fund.

2. In formulating these proposals, due consideration has been given to part B of the annex to resolution 42/211 concerning the period covered and pattern of use of the contingency fund. Accordingly, it is recognized that prudent use of the fund requires that it should not be exhausted before the end of the period of use, but that no predetermined proportion for a given year should be set. The suggestions contained herein reflect relevant recommendations of the Advisory Committee on Administrative and Budgetary Questions, and go beyond the immediate need to reduce the total proposed "add-ons" below the level of the outline. These combined suggestions, if all were accepted, could reduce the total level of charges against the

* The present document is issued as scheduled under the guidelines for the contingency fund contained in the annex to resolution 42/211 of 21 December 1987.

[1] As per General Assembly resolution 57/280.

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contingency fund at the present session of the Assembly to $15,150,800, so that a balance of contingency fund resources might remain available to support such initiatives as the resumed fifty-eighth session and the fifty-ninth session of the Assembly might approve. In this regard, it may be recalled that there is a potential for significant requirements to arise during 2004 in connection with new arrangements for the Office of the Special Representative for Children and Armed Conflict.

Initial recommendations of the Advisory Committee on Administrative and Budgetary Questions ($3,310,800)

3. The Advisory Committee has already made recommendations for reductions in the amount of $3,225,400 (A/58/7/Add.5) in respect of the provision of more predictable and adequate conference servicing to meetings of regional and other major groups. It has also recommended a reduction of $85,400 (A/58/7/Add.19) in respect of the report of the Standing Committee of the United Nations Joint Staff Pension Fund. It is suggested that the Fifth Committee adopt these recommendations as a part of its consideration of charges to be made against the contingency fund.

Absorption of conference-servicing requirements ($1,515,600)

4. In reviewing the consolidated statement requirements with a view to identifying possibilities for absorption and deferral, consideration has been given to the conference-servicing components of the various items, as these represent the bulk of overall "add-on" requirements, and have been calculated on a full-cost basis.

5. It is estimated that careful, integrated management of resources allocated for interpretation and judicious scheduling of the calendar of conference and meetings would allow for absorption of $1,515,600 of interpretation costs.

6. Analysis of the situation in the documentation processing area has indicated a different situation. The level of documentation required for processing in the current biennium (2002-2003) showed no reduction in workload against the previous periods. It is estimated that the initial workload amount projected for the biennium 2004-2005 in the proposed programme budget would be comparable to that experienced in 2002-2003. Therefore, the documentation workload identified for "add-ons" would represent an addition to the initially programmed workload for which no resources are available in the proposed programme budget under section 2.

Revised estimates arising from resolutions and decisions adopted by the Economic and Social Council ($578,300)

7. The revised estimates include three components which the Fifth Committee may wish to revisit. The first concerns Economic and Social Council resolution 2003/60 on public administration and development. The Department of Economic and Social Affairs has confirmed that the estimated requirements of $58,300 for implementation of the resolution can, on further consideration, be absorbed within the resources already requested in the initial programme budget proposals for section 9 for the biennium 2004-2005.

8. The second element to revisit relates to decision 2003/264 on the Social Forum. The costs for this activity have been shown as ranging between zero and $326,200 with an intermediate option of $12,800, depending on whether the Forum

would meet concurrently with the Subcommission, separately from it or back-to-back with it. It is suggested that the General Assembly invite the Economic and Social Council to arrange for the Forum to meet concurrently with the Subcommission, which would result in a reduction of anticipated requirements by $326,200.

9. The third element concerns Economic and Social Council decision 2003/269 on organization of work of the sixtieth session of the Commission on Human Rights. Requirements of $193,800 were estimated for section 2 in respect of serving additional meetings to be provided for the fifty-ninth session of the Commission in 2004. If the Assembly were to invite the Economic and Social Council to review decision 2003/269, with a view to foregoing additional meetings of the Commission on Human Rights, a reduction in requirements of $193,800 could be realized.

Report of the Special Committee on the Charter ($2,357,600)

10. It is recalled that, prior to the adoption by the Sixth Committee of draft resolution A/C.6/58/L.18, in which the Assembly would encourage the Secretary-General in his continuous efforts to eliminate the backlog in the *Repertory of Practice of United Nations Organs*, the Secretary-General had proposed the discontinuation of this activity in the initial proposed programme budget for the biennium 2004-2005. Given the specific wording of draft resolution A/C.6/58/L.18, which neither requires nor requests the continuation of the *Repertory*, the Committee may wish to consider whether it would be necessary to appropriate regular budget funds for the continuation of this activity.

Nairobi construction ($107,000)

11. It will be recalled that this project, regarding conference facilities in Nairobi, is to be funded in part from interest income and partly from appropriations under section 33. A recent review of the existing balance within the construction-in-progress account reflects an additional amount of $107,000 available as a result of interest newly credited to the account. In addition to the initial proposal for interest in an amount of $913,000 to be utilized, it is now proposed that the amount utilized be increased by $107,000. As a result, the amount of $1,139,000 initially proposed for additional appropriation under section 33 of the proposed programme budget for 2004-2005 as a charge against the contingency fund, could be reduced by an offsetting amount of $107,000. This would be without detriment to the project, as the same total level of funding would be available as a result of the proposed change in the balance of funding between the use of interest income and of appropriated funds.

Other possible adjustments

12. The other "add-ons" have been reviewed for possible deferrals or absorptions. While there may be opportunities for some relatively minor items to be eliminated as a result of alternative funding through the use of extrabudgetary resources or the rejection by the Fifth Committee of proposals of the Secretary-General on policy grounds, such considerations would seem to go beyond the scope of the review envisaged in General Assembly resolution 42/211. Accordingly, the suggestions of the Secretary-General for reduction of "add-on" amounts are limited to those shown above and may be summarized as follows:

	United States dollars
Initial recommendations of the Advisory Committee	3 310 800
Absorption of conference-servicing requirements	1 515 600
Revised estimates arising from resolutions and decisions adopted by the Economic and Social Council	578 300
Report of the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization	2 357 600
Nairobi construction	107 000
Total	**7 869 300**

Balance in contingency fund for future needs

13. Should the Fifth Committee approve the above-mentioned suggestions, the balance of funds available from the initial $21.6 million in the contingency fund would amount to $6,449,200 after charges of $15,150,800.

Recommendation

14. **The consolidated amount of $15,150,800 after application of the above-suggested reduction of potential charges, $7,869,300 would be within the available balance of the contingency fund. The Fifth Committee, in accordance with paragraph 5 of the annex to resolution 42/211, may proceed to recommend to the General Assembly the appropriation of the required amounts under the relevant sections of the programme budget as follows (in thousands of United States dollars):**

Section		*Requirement for contingency fund*
1	Overall policy-making, direction and coordination	1 596.4
2	General Assembly and conference management	10 776.3
3	Disarmament	254.2
9	Economic and social affairs	162.1
29D	Office of Central Support Services	744.8
29E	Administration, Geneva	320.8
29F	Administration, Vienna	107.9
29G	Administration, Nairobi	60.6
33	Construction, alteration, improvement and major maintenance	1 032.0
34	Staff assessment	95.7
	Total expenditures	**15 150.8**

Annex

Contingency fund proposals and charges

(Thousands of United States dollars)

	Proposals before the Fifth Committee	*Suggestions for adjustment*	*Costs to be charged to the contingency fund*
Revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive and resumed substantive sessions of 2003 (A/C.5/58/10 and A/58/7/Add.8)	891.3	(624.1)	267.2
Report of the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization (A/C.5/58/18 and A/58/7/Add.13)	2 357.6	(2 357.6)	-
Cost implications of providing more predictable and adequate conference services to the meetings of regional and other major groupings of Member States (A/58/397 and A/58/7/Add.5)	7 966.0	(3 225.4)	4 740.6
Improving and modernizing the conference facilities at the United Nations Office at Nairobi (A/58/520 and A/58/7/Add.6)	1 139.0	(107.0)	1 032.0
The Illicit Trade in Small Arms and Light Weapons in All Its Aspects (A/C.5/58/17 and A/58/7/Add.14)	1 893.3	(517.7)	1 375.6
United Nations Institute for Training and Research (A/58/544 and A/58/7/Add.10)	331.3	-	331.3
Future operations of the International Research and Training Institute for the Advancement of Women (A/C.5/58/24 and A/58/7/Add.20)	234.7	-	234.7
Ad Hoc Committee on a Comprehensive and Integral International Convention on Protection and Promotion of the Rights and Dignity of Persons with Disabilities (A/C.5/58/25 and A/58/7/Add.21)	763.5	(137.3)	626.2
Oceans and the law of the sea (A/C.5/58/22 and A/58/7/Add.16)	347.0	(41.4)	305.6
Administrative and financial implications arising from the report of the Standing Committee of the United Nations Joint Staff Pension Board (A/C.5/58/27 and A/58/7/Add.19)	1 589.9	(85.4)	1 504.5
Implementation of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa (A/C.5/58/31)	1 725.4	(386.7)	1 338.7
Protection of global climate for present and future generations of mankind (A/C.5/58/32)	3 781.1	(386.7)	3 394.4
Total	**23 020.1**	**(7 869.3)**	**15 150.8**